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ARIZONA CORPORATION COMMISSION NOV 05 2004
UTILITIES DIVISION

AZ Corporation Commission
Director Of Utilities

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-01698A	S
Sun Valley Utilities, Inc.	
P.O. Box 4054	
Sun Valley, AZ 86029	

ANNUAL REPORT

FOR YEAR ENDING

12	31	2003
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FOR COMMISSION USE
ANN04 03

COMPANY INFORMATION

Company Name (Business Name) <u>Sun Valley Utilities Inc</u>		
Mailing Address <u>P.O. Box 4054</u>		
<u>Sun Valley</u> (City)	<u>AZ</u> (State)	<u>86029</u> (Zip)
<u>928-524-3515</u> Telephone No. (Include Area Code)	<u>- 0 -</u> Fax No. (Include Area Code)	<u>- 0 -</u> Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address <u>- SAME</u>		
_____ (City)	_____ (State)	_____ (Zip)
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address <u>- 0 -</u>		

MANAGEMENT INFORMATION

Management Contact: <u>Juanita Vicars</u>			<u>Secretary</u>
(Name)			(Title)
<u>P.O. Box 4054</u> (Street)	<u>Sun Valley</u> (City)	<u>AZ</u> (State)	<u>86029</u> (Zip)
<u>928-524-3515</u> Telephone No. (Include Area Code)	_____ Fax No. (Include Area Code)	_____ Pager/Cell No. (Include Area Code)	
Email Address <u>- 0 -</u>			
On Site Manager: <u>Eugene Harper</u>			
(Name)			
<u>7666 Pinto</u> (Street)	<u>Sun Valley</u> (City)	<u>AZ</u> (State)	<u>86029</u> (Zip)
<u>928-524-3205</u> Telephone No. (Include Area Code)	<u>- 0 -</u> Fax No. (Include Area Code)	<u>- 0 -</u> Pager/Cell No. (Include Area Code)	
Email Address <u>- 0 -</u>			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Eugene Harper
 (Name)

7666 Pinto Sun Valley AZ 86029
 (Street) (City) (State) (Zip)

928-524-3205 - 0 - - 0 -
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Mariscal, Weeks, McIntyre & Friedlander
 (Name)

2901 N. Central Avenue Phoenix AZ 85012-7505
 (Street) (City) (State) (Zip)

602-285-5000 - 0 - - 0 -
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|--|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input checked="" type="checkbox"/> Other (Describe) <u>Not for Profit</u> | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|--|-----------------------------------|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input checked="" type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME Sun Valley Utilities, Inc.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	- 0 -		
302	Franchises	- 0 -		
303	Land and Land Rights	2,372		
304	Structures and Improvements	6,500		
307	Wells and Springs	18,694		
311	Pumping Equipment	36,504		
320	Water Treatment Equipment	- 0 -		
330	Distribution Reservoirs and Standpipes	40,000		
331	Transmission and Distribution Mains	63,763		
333	Services	8,000		
334	Meters and Meter Installations	2,500		
335	Hydrants	3,000		
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	9,790		
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	7,000		
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	20,820		
	TOTALS	218,943		

This amount goes on the Balance Sheet Acct. No. 108 

COMPANY NAME Sun Valley Utilities, Inc.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	-0-	No	dep rec
302	Franchises			iation taken
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS			

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME

Sun Valley Utilities, Inc.

BALANCE SHEET

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 450.00	\$ 450.00
134	Working Funds	15,431	14,365
135	Temporary Cash Investments	56,973	35,185
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	2,281	2,281
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 75,135	\$ 52,281
	FIXED ASSETS		
101	Utility Plant in Service	\$ 216,571	\$ 216,571
103	Property Held for Future Use	2,372	2,372
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant		
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 218,943	\$ 218,943
	TOTAL ASSETS	\$ 294,078	\$ 271,224

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME Sun Valley Utilities, Inc.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes	628	- 0 -
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 628	\$ - 0 -
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ - 0 -	\$ - 0 -
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ - 0 -	\$ - 0 -
	TOTAL LIABILITIES	\$ 628	\$ - 0 -
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	293,450	271,224
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 293,450	\$ 271,224
	TOTAL LIABILITIES AND CAPITAL	\$ 294,078	\$ 271,224

COMPANY NAME

Sun Valley Utilities, Inc.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 46,356	\$ 36,260.71
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 46,356	\$ 36,260.71
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 11,918	\$ 9,419.30
610	Purchased Water		
615	Purchased Power	7,987	7,043.03
618	Chemicals		1,181.02
620	Repairs and Maintenance	6,088	6,614.30
621	Office Supplies and Expense	4,333	2,227.94
630	Outside Services	5,684	5,328.00
635	Water Testing	1,477	1,666.75
641	Rents		26.00
650	Transportation Expenses		
657	Insurance - General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	3,357	3,110.74
403	Depreciation Expense		
408	Taxes Other Than Income	3,346	3,260.80
408.11	Property Taxes	2,241	2,118.00
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 46,431	\$ 40,995.88
	OPERATING INCOME/(LOSS)	\$ (75)	\$ (4,735.17)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 637	\$ 5.38
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$ 637	\$ 5.38
	NET INCOME/(LOSS)	\$ 562	\$ 4,729.79

COMPANY NAME

Sun Valley Utilities, Inc.

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	- 0 -			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ - 0 -

Meter Deposits Refunded During the Test Year

\$ - 0 -

COMPANY NAME Sun Valley Utilities, Inc.

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (Inches)	Year Drilled
Well	7.5	706 PM	180 Ft	8	2	1979
Well	7.5	706 PM	120 Ft	8	2	1990

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
- 0 -		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
1	200 GPM		
2	200 GPM		
3	200 GPM		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
50,000	1	5,000	1
28,000	1	2,000	1
		1,000	1

COMPANY NAME

Sun Valley Utilities, Inc.

WATER COMPANY PLANT DESCRIPTION (CONTINUED)**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	79
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

Dry Chlorination System

STRUCTURES:

3 Well Houses

2 Storage Tanks

OTHER:

COMPANY NAME: Sun Valley Utilities, Inc.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	79	1,241,512	SAME
FEBRUARY	78	872,296	SAME
MARCH	81	914,917	SAME
APRIL	80	847,707	SAME
MAY	80	928,180	SAME
JUNE	82	1,314,321	SAME
JULY	82	1,307,893	SAME
AUGUST	81	1,759,563	SAME
SEPTEMBER	80	1,368,672	SAME
OCTOBER	79	958,226	SAME
NOVEMBER	82	1,682,704	SAME
DECEMBER	80	1,319,876	SAME
TOTAL		13,198,760	

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (✓) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (✓) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. $\frac{0.050 \text{ mg/l}}{0.050}$ ^{#1} ~~**~~
(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

**** Well #1 was in operation only 3 months, and is permanently shut down.**

COMPANY NAME Sun Valley Utilities YEAR ENDING 12/31/2003

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 2118.00

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME Sun Valley Utilities, Inc. YEAR ENDING 12/31/2003

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported - 0 -
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported - 0 -
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances - 0 -
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE

PRINTED NAME

TITLE

2003 TAX NOTICE

TO
DEC. 31, 2003

COUNTY OF NAVAJO

ARIZONA

ADDRESS: P O BOX 668
HOLBROOK AZ 86025LEGAL DESCRIPTION: SECTION TWN RNG
TOTAL VALUE OF OPERATING PROPERTY
105-27-142 125 105-32-272ACRES 2.04 USE 5500
1,500NAVAJO COUNTY
TREASURER

NOV 5 2003

PAID COUNTER

TAX ROLL NUMBER
76716PARCEL IDENTIFICATION
901-70-300 4TAX AREA CODE
0300IMPORTANT - SEE REVERSE SIDE
FOR COMPLETE EXPLANATION OF
YOUR 2003 TAX NOTICE AND
PAYMENT INSTRUCTIONS.

901-70-300 4 76716

SUN VALLEY UTILITIES INC
JUANITA VICARS/SECRETARY
P O BOX 4054
SUN VALLEY AZ 86029-

60494



2003 TAX SUMMARY (3)

PRIMARY AD VALOREM TAX	1,498.78
LESS STATE AID TO EDUCATION	0.00
NET PRIMARY AD VALOREM TAX	1,498.78
SECONDARY AD VALOREM TAX	472.04
SPECIAL DISTRICT TAX	0.00

PAY TOTAL OR HALF TAX

TOTAL TAX DUE	1,970.82
HALF TAX	985.41

DELINQUENT DATES

1st HALF NOV. 1, 2003

2nd HALF MAY 1, 2004

THIS IS THE ONLY NOTICE YOU WILL RECEIVE
NO RECEIPT WILL BE SENT UNLESS REQUESTED

PRIMARY PROPERTY TAX CALCULATION (1)

ITEM	LIMITED VALUE	ASSMT. %	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND, BLDGS, ETC.	1625	25.0	406	0	7.5604	30.71
PERSONAL PROPERTY	77672	25.0	19418	0	7.5604	1468.07
TOTALS	79297		19824	0		1498.78

SECONDARY PROPERTY TAX CALCULATION (2)

ITEM	FULL CASH VALUE	ASSMT. %	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND	1625	25.0	406	0	2.5810	10.48
BLDGS, ETC.	0	0	0	0	0	0.00
PERSONAL PROPERTY	77672	25.0	19418	0	2.3769	461.56
TOTALS	79297		19824	0		472.04

2002-2003 TAX COMPARISON (4)

TAX CODE	TAX JURISDICTION	2003 PRIMARY	2003 SECONDARY	2003 TOTAL	2002 TOTAL	DIFFERENCE
02000	NAVAJO COUNTY	9461	00	9461	13697	-4236
02001	SCHOOL EQUALIZATION	9351	00	9351	9691	-340
07003	HOLBROOK SD #3	107117	37637	144754	151691	-6937
08150	NORTHLAND PIONEER COLLEGE	23949	4609	28558	28827	-269
11900	FIRE DISTRICT ASSISTANCE FUND	00	1983	1983	1983	00
14900	NAVAJO COUNTY LIBRARY DISTRICT	00	396	396	402	-06
15728	NAVAJO COUNTY FCD	00	83	83	83	00
29999	PUBLIC HEALTH SERVICE DISTRICT	00	1505	1505	1311	194
30000	NORTHERN ARIZONA VIT	00	991	991	991	00
	TOTALS	149878	47204	197082	208676	-11594

TEAR OFF ALONG DOTTED LINES

TEAR OFF ALONG DOTTED LINES

2003 TAX NOTICE

TO
DEC 31 2003

COUNTY OF NAVAJO

ARIZONA

ADDRESS: P O BOX 668
HOLBROOK AZ 86025

LEGAL DESCRIPTION SECTION TWN RNG ACRES 5.00 USE 5500
 TOTAL VALUE OF OPERATING PROPERTY 754
 105-27-040 1,506 105-27-143 1,000
 105-27-144 754
 105-34-229 689

TAX ROLL NUMBER
76717PARCEL IDENTIFICATION
901-70-307 5TAX AREA CODE
0307NAVAJO COUNTY
TREASURER

NOV 5 2003

IMPORTANT - SEE REVERSE SIDE
FOR COMPLETE EXPLANATION OF
YOUR 2003 TAX NOTICE AND
PAYMENT INSTRUCTIONS.

901-70-307 5 76717

SUN VALLEY UTILITIES INC
JUANITA VICARS/SECRETARY
P O BOX 4054
SUN VALLEY

AZ 86029-

60495

PAID COUNTER

2003 TAX SUMMARY (3)

PRIMARY AD VALOREM TAX		88'92
LESS STATE AID TO EDUCATION		00
NET PRIMARY AD VALOREM TAX		88'92
SECONDARY AD VALOREM TAX		58'26
SPECIAL DISTRICT TAX		00

PAY TOTAL OR HALF TAX

TOTAL TAX DUE		147'18
HALF TAX		73'59

DELINQUENT DATES

1st HALF NOV. 1, 2003

2nd HALF MAY 1, 2004

THIS IS THE ONLY NOTICE YOU WILL RECEIVE
NO RECEIPT WILL BE SENT UNLESS REQUESTED

PRIMARY PROPERTY TAX CALCULATION (1)

ITEM	LIMITED VALUE	ASSMT. %	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND, BLDGS, ETC.	4703	25.0	1176	0	7.5604	88'92
PERSONAL PROPERTY	0	0	0	0	7.5604	00
TOTALS	4703		1176	0		88'92

SECONDARY PROPERTY TAX CALCULATION (2)

ITEM	FULL CASH VALUE	ASSMT. %	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND	4703	25.0	1176	0	4.9538	58'26
BLDGS, ETC.	0	0	0	0	0	00
PERSONAL PROPERTY	0	0	0	0	4.7497	00
TOTALS	4703		1176	0		58'26

2002-2003 TAX COMPARISON (4)

TAX CODE	TAX JURISDICTION	2003 PRIMARY	2003 SECONDARY	2003 TOTAL	2002 TOTAL	DIFFERENCE
02000	NAVAJO COUNTY	562	00	562	812	-250
02001	SCHOOL EQUALIZATION	555	00	555	575	-20
07003	HOLBROOK SD #3	6354	2233	8587	8999	-412
08150	NORTHLAND PIONEER COLLEGE	1421	273	1694	1710	-16
11210	SUN VALLEY VOLUNTEER FD	00	2790	2790	2793	-03
11900	FIRE DISTRICT ASSISTANCE FUND	00	118	118	118	00
14900	NAVAJO COUNTY LIBRARY DISTRICT	00	24	24	24	00
15728	NAVAJO COUNTY FCD	00	240	240	240	00
29999	PUBLIC HEALTH SERVICE DISTRICT	00	89	89	78	11
30000	NORTHERN ARIZONA VIT	00	59	59	59	00
	TOTALS	88'92	58'26	147'18	154'08	-6'90

TEAR OFF ALONG DOTTED LINES

TEAR OFF ALONG DOTTED LINES

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
Navajo
NAME (OWNER OR OFFICIAL) TITLE
Juanita Vicars - Secretary
COMPANY NAME
Sun Valley Utilities, Inc.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 36,260.71

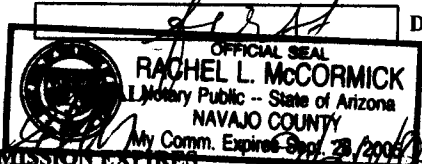
(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 2,211.90
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



MY COMMISSION EXPIRES

DAY OF

COUNTY NAME
Navajo
MONTH
November 2003

SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

COUNTY OF (COUNTY NAME) <u>Narajo</u>	
NAME (OWNER OR OFFICIAL) <u>Juanita Vicars</u>	TITLE <u>Secretary</u>
COMPANY NAME <u>Sun Valley Utilities, Inc.</u>	

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>36,260.71</u>
--

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 2,211.90
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Juanita Vicars
SIGNATURE OF OWNER OR OFFICIAL
928-524-3515
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

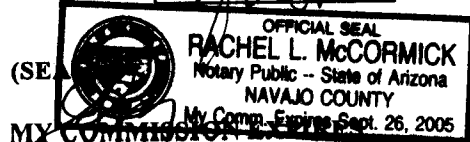
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

first

DAY OF

NOTARY PUBLIC NAME <u>Rachel L. McCormick</u>	
COUNTY NAME <u>Narajo</u>	
MONTH <u>November</u>	YEAR <u>2004</u>



X Rachel L. McCormick
SIGNATURE OF NOTARY PUBLIC